

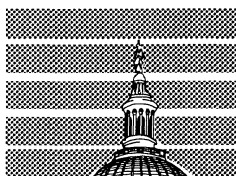
1997 Agricultural Policy and Outlook



*The Ohio State University
Ohio Cooperative Extension Service
Agricultural Economics*



Prepared by Dr. Allan Lines

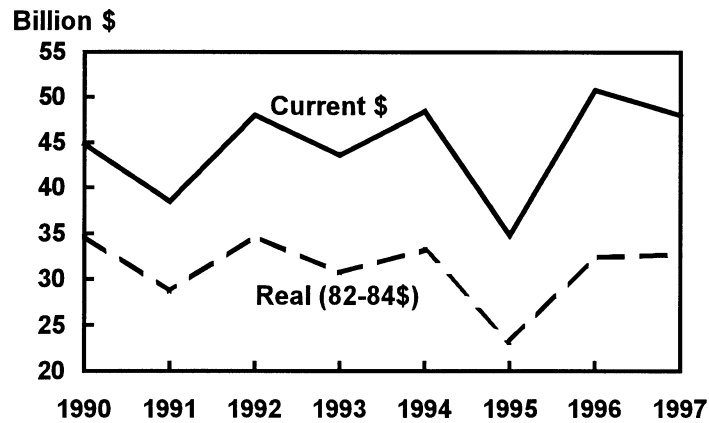


1997 Agricultural Policy and Outlook



Farm Economy

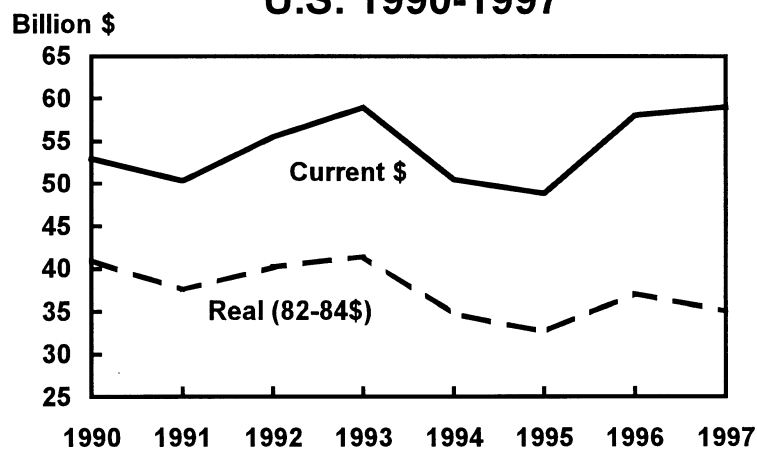
Net Farm Income U.S. 1990-1997



1996/1997 Estimated/Projected

Revised 11/96

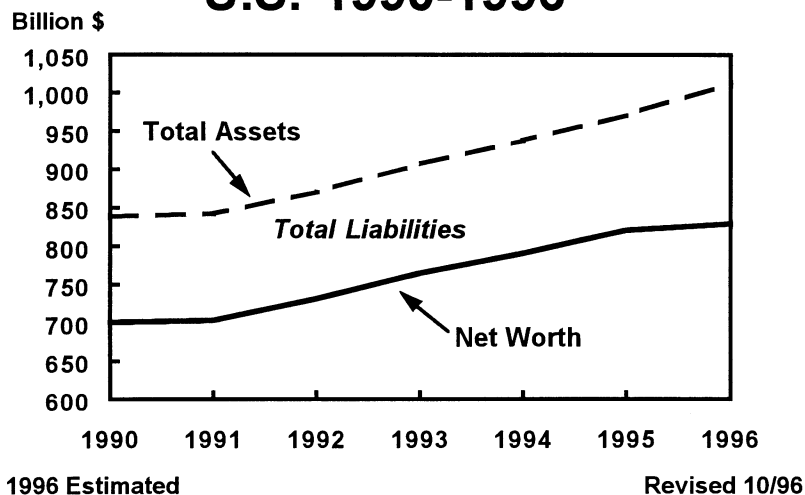
Farm Net Cash Income U.S. 1990-1997



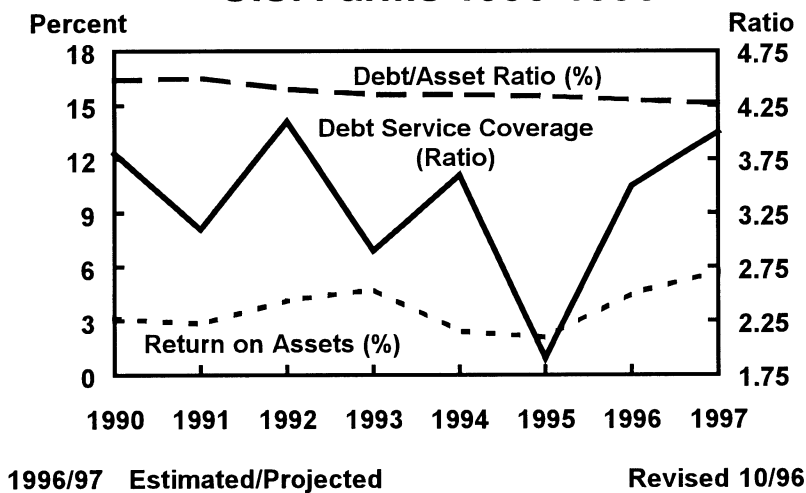
1996/1997 Estimated/Projected

Revised 11/96

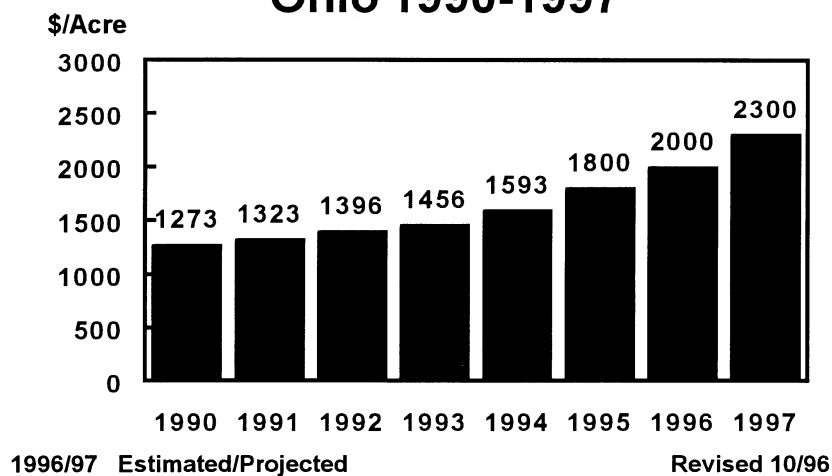
Farm Balance Sheet U.S. 1990-1996



Farm Financial Measures U.S. Farms 1990-1996

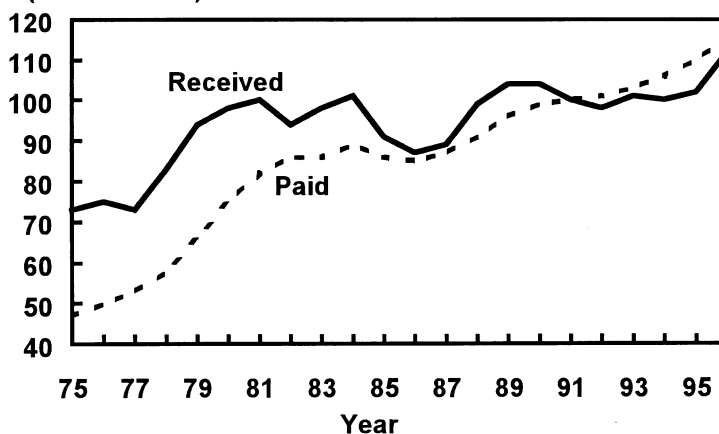


Farmland and Buildings Value Ohio 1990-1997



All Farm Index: Prices Received and Prices Paid, All Items, U.S., 1976-96, Annual 1/

Percent (1990-92=100)

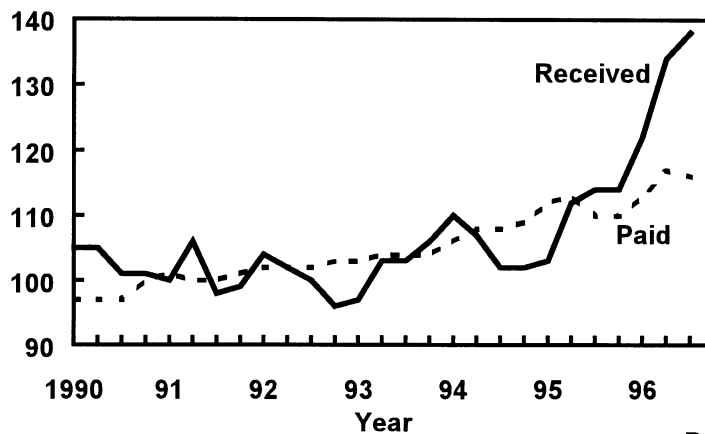


1/ Index values for 1996 are year-to-date averages.

Revised 10/96

Crop Farm Index: Prices Received and Prices Paid, All Items, U.S., 1990-96, by Quarter

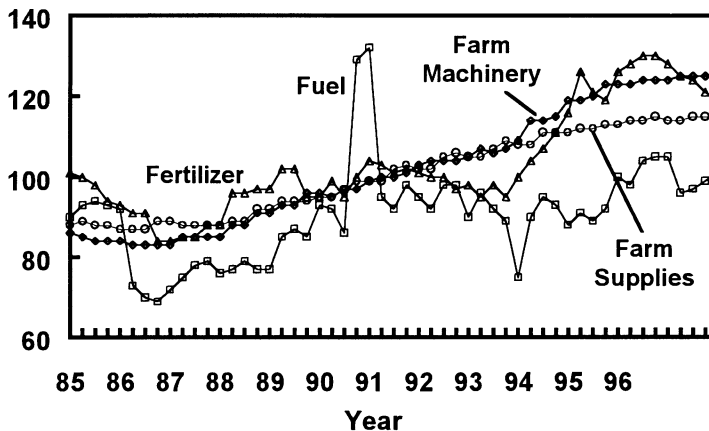
Percent (1990-92=100)



Revised 10/96

Prices Paid by Farmers, Selected Production Indexes, U.S., by Non-Farm Sector 1/

Percent (1990-92=100)

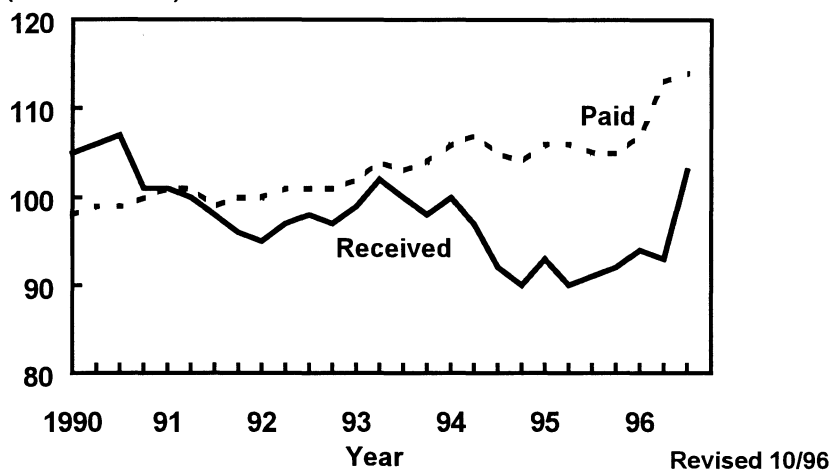


1/ Index values are monthly beginning in 1996.

Revised 10/96

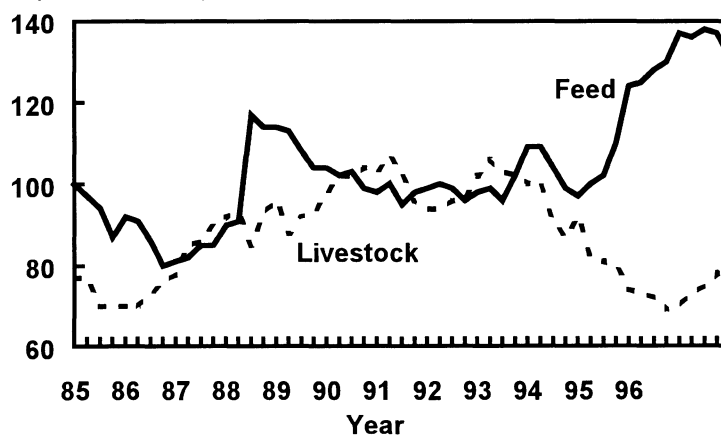
Livestock Farm Index: Prices Received and Prices Paid, All Items, U.S., 1990-96, by Quarter

Percent (1990-92=100)



Prices Paid by Farmers, Selected Production Indexes, U.S., by Farm Sector 1/

Percent (1990-92=100)



1/ Index values are monthly beginning in 1996.

Input Prices

	96/95 (Estimated)	97/96 (Projected)
Feed	+ 25	- 10
Livestock	- 10	+ 15
Seeds	+ 6	+ 1
Fertilizer	+ 6	+ 10
Chemicals	+ 2	+ 5
Fuel	+ 13	+ 10
Machinery	+ 8	+ 7
All Production	+ 6	+ 5

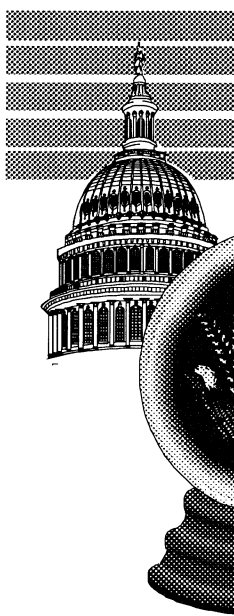
Revised 10/96

U.S. Parity Prices

1910-14 Base
September 1996

Wheat	\$ 9.31	Per Bu.
Corn	6.19	Per Bu.
Soybeans	13.40	Per Bu.
Milk	28.90	Per Cwt.
Cattle	152.00	Per Cwt.
Hogs	104.00	Per Cwt.

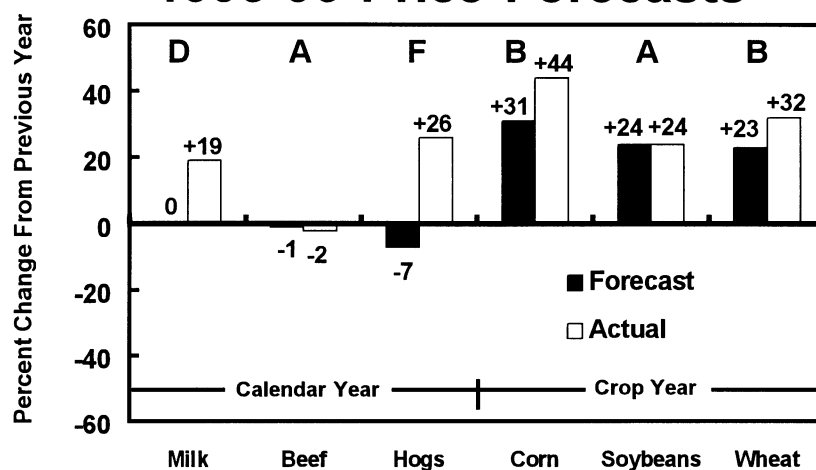
Revised 11/96



1997 Agricultural Policy and Outlook

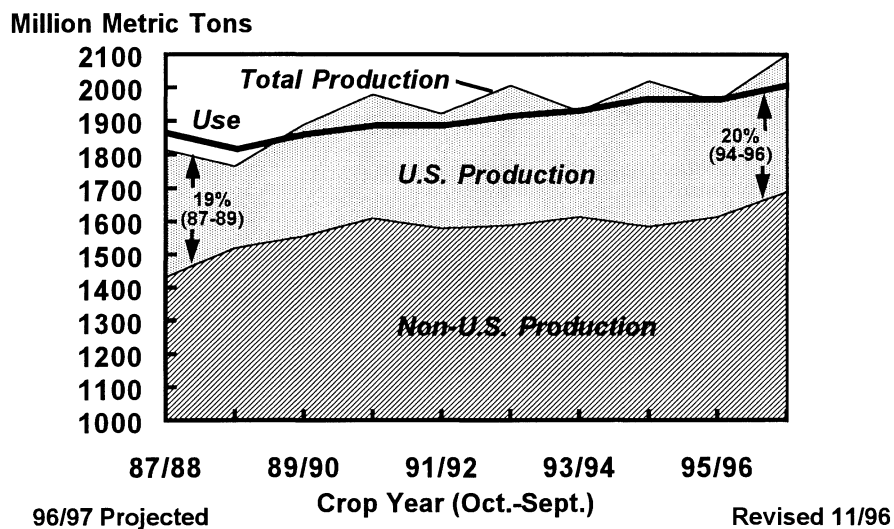
Feed Grains and Oilseeds

Grade Card 1995-96 Price Forecasts

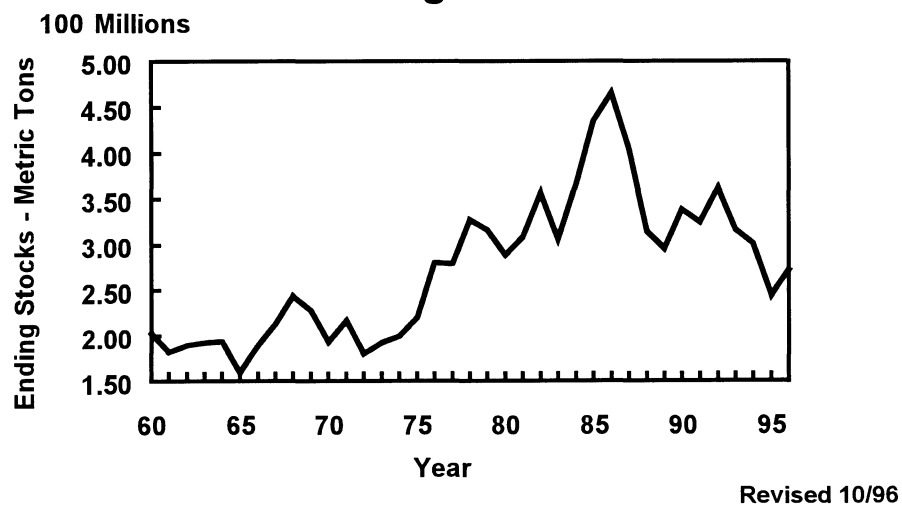


Revised 10/96

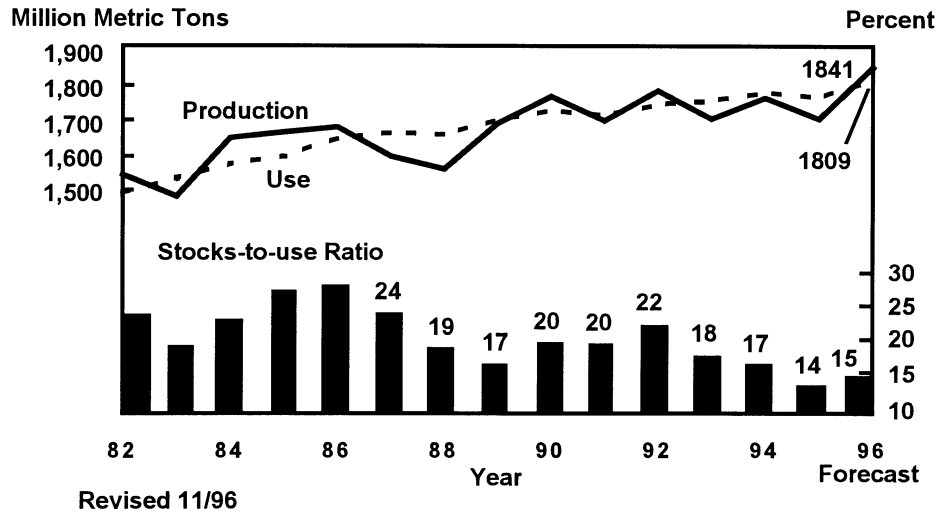
World Grain and Oilseed Production and Use



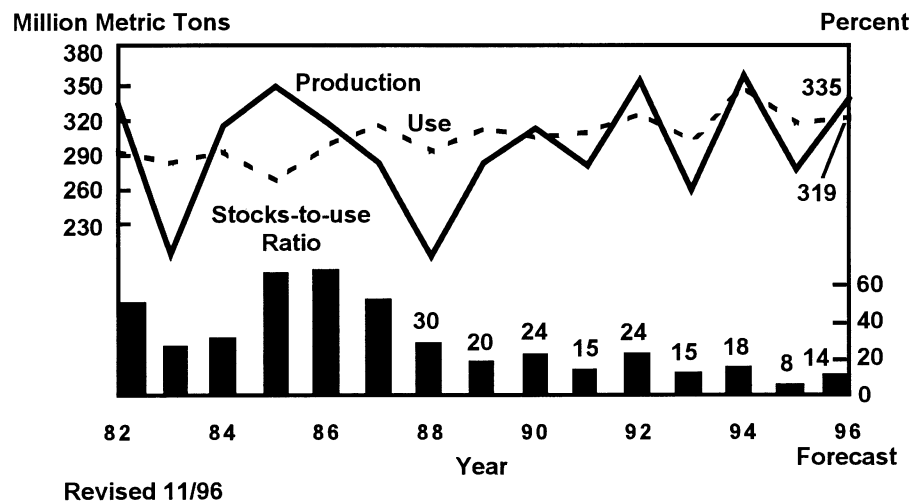
World Total Grains Ending Stocks



World Total Grains

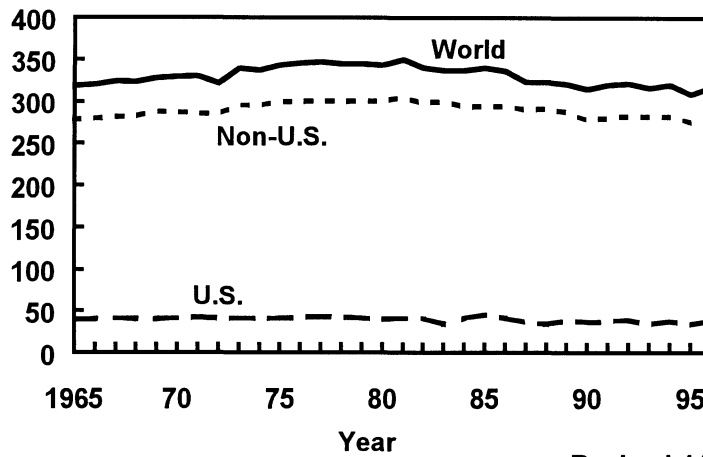


U.S. Total Grains



World Coarse Grains Area

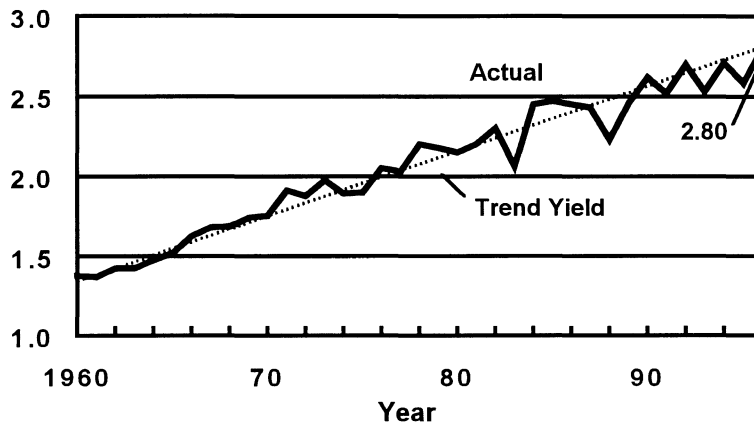
Million Hectares



Revised 11/96

World Coarse Grains Yield

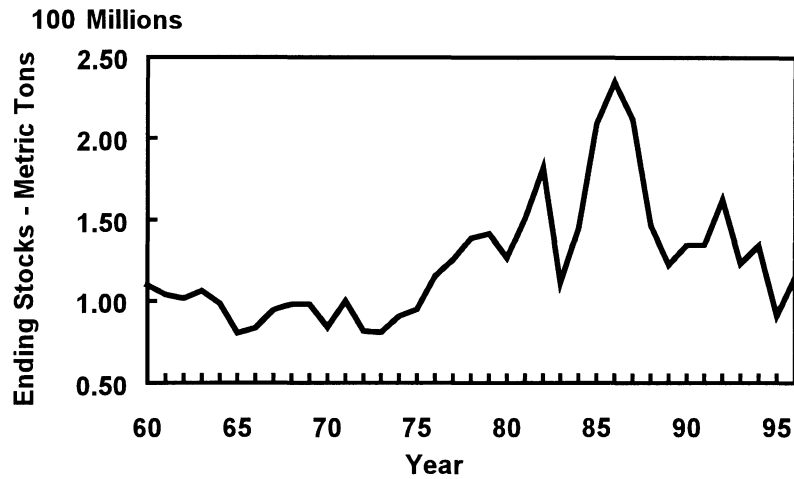
Metric Tons/Hectare



1996 forecast

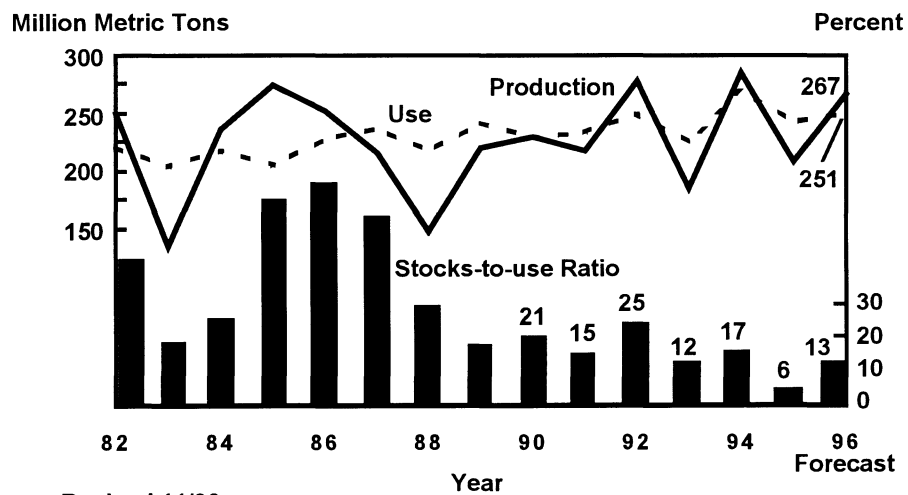
Revised 11/96

World Coarse Grain Ending Stocks



Revised 11/96

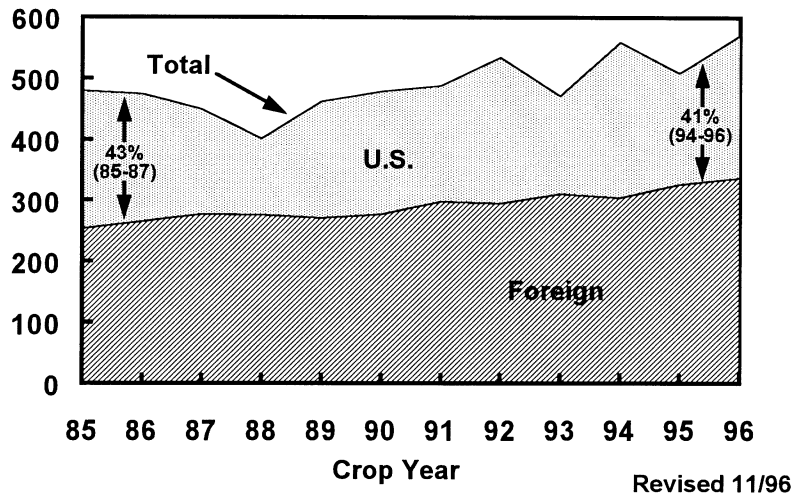
U.S. Coarse Grains



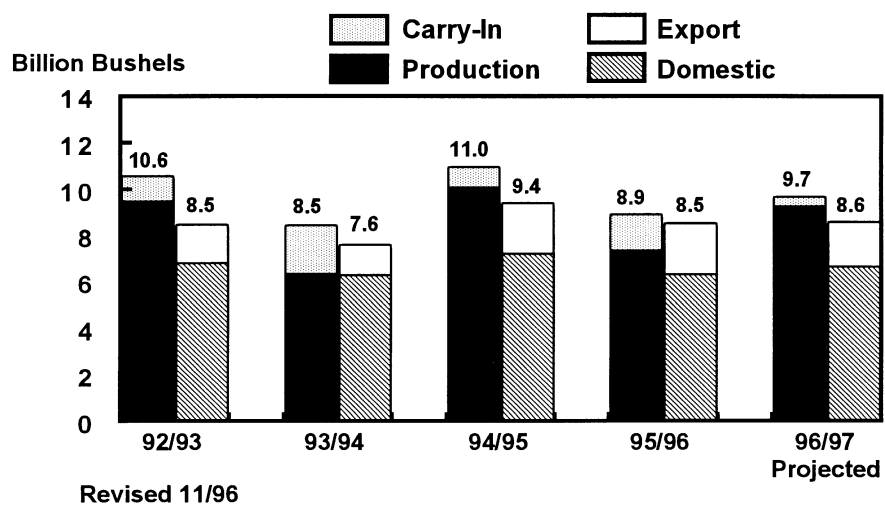
Revised 11/96

World Corn Production

Million Metric Tons

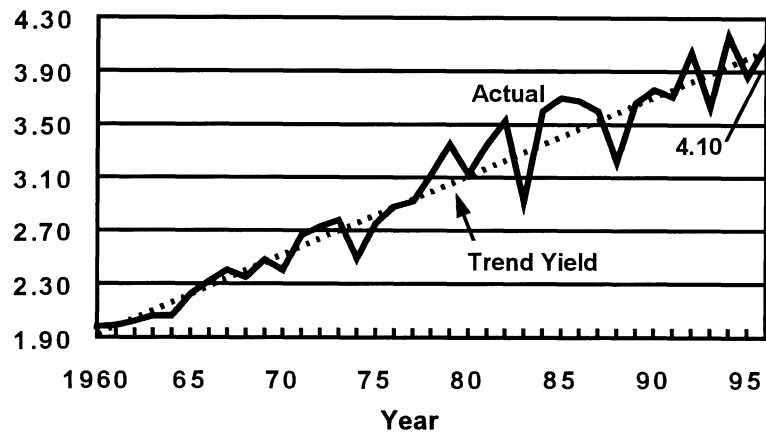


Corn: Supply and Use



World Corn Yield

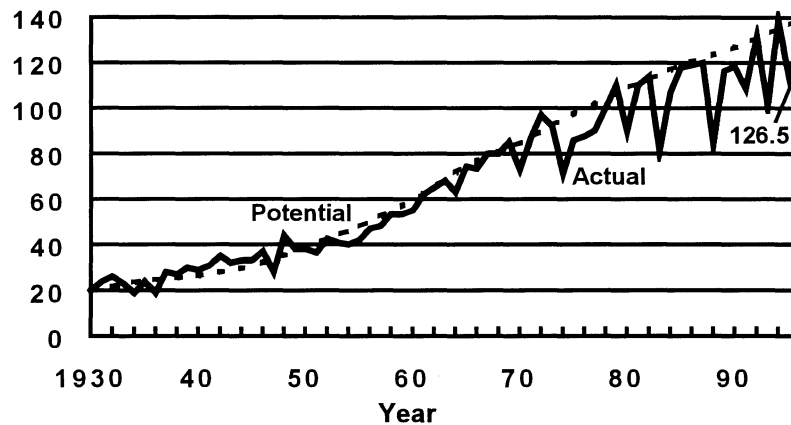
Metric Tons/Hectare



Revised 11/96

U.S. Corn Yield

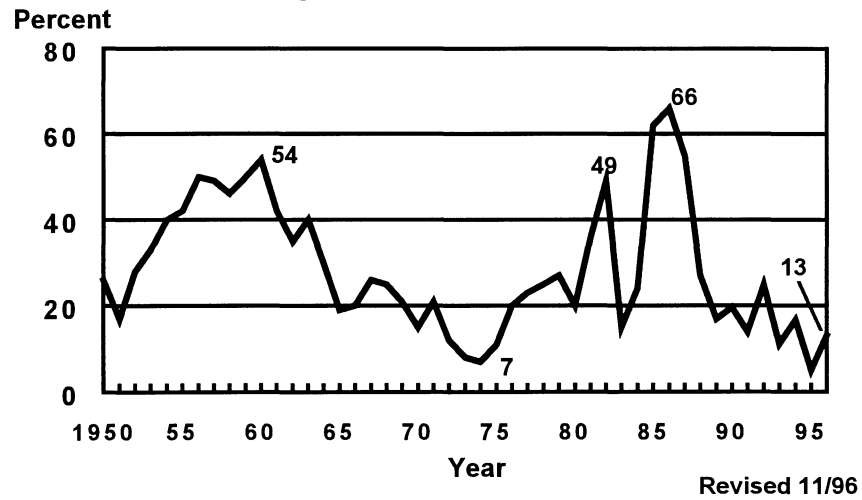
Bushels/Acre



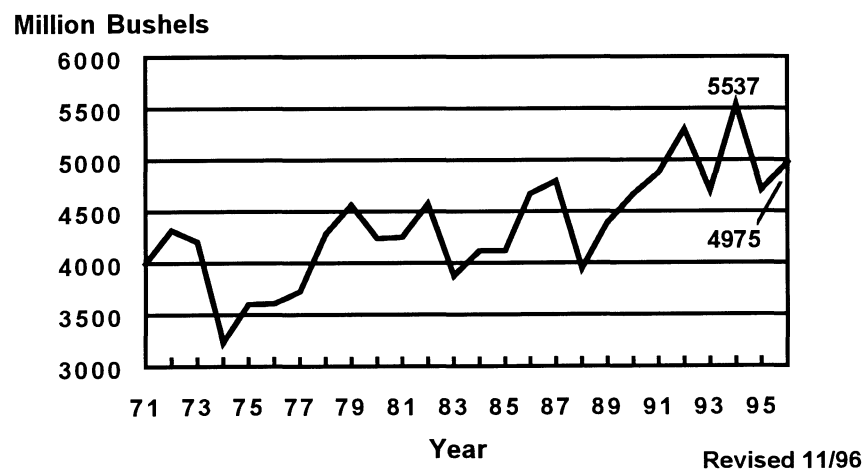
1996 forecast

Revised 11/96

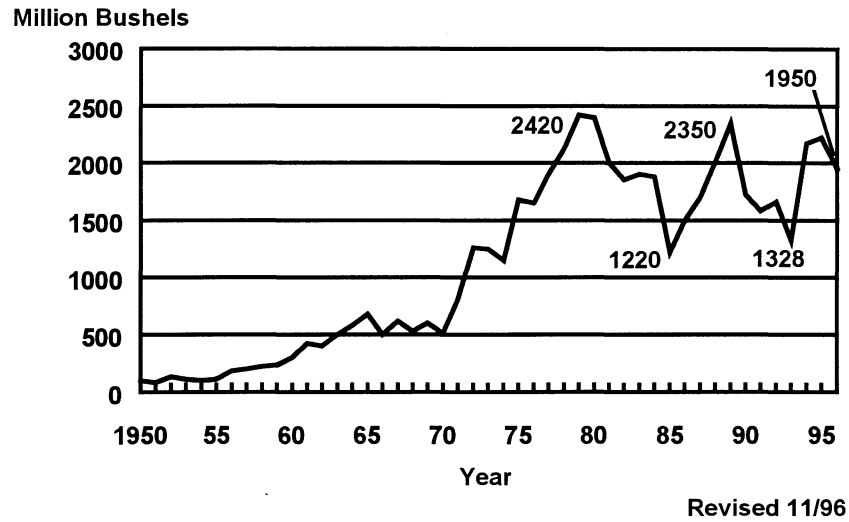
U.S. Corn Ending Stocks/Total Use



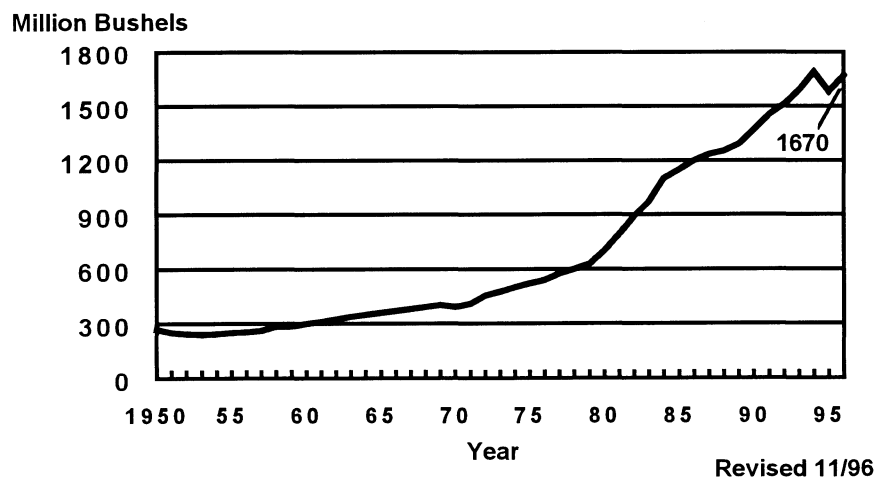
U.S. Corn, Feed and Residual



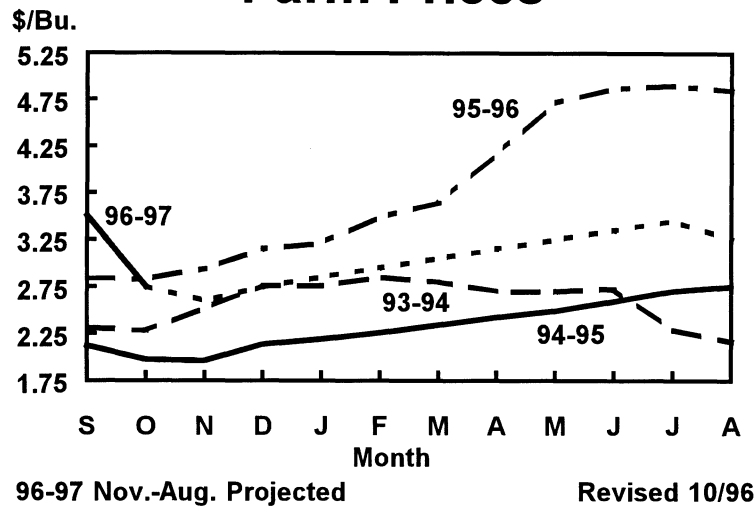
U.S. Corn Exports



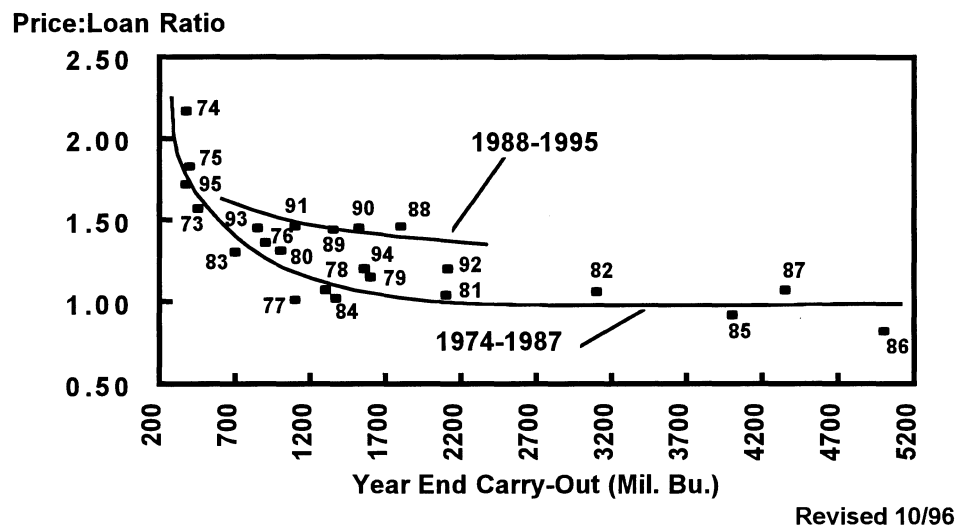
U.S. Corn Food, Seed & Industrial Use



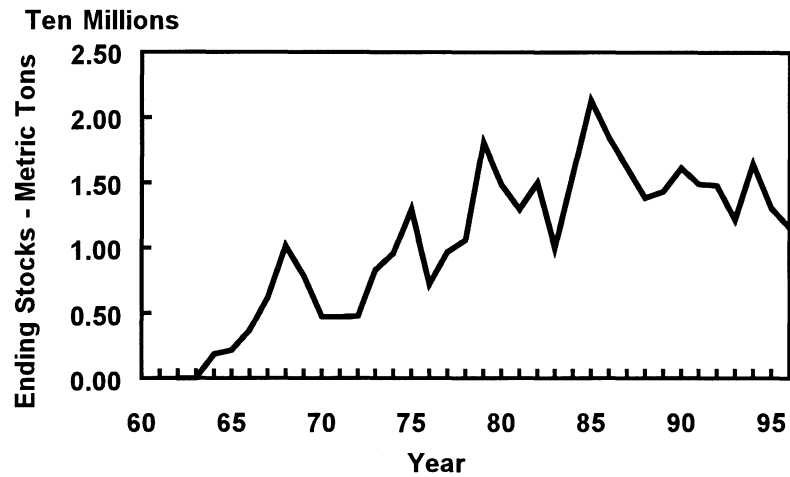
Corn: Ohio Average Farm Prices



Corn: Stocks-Price Relationship

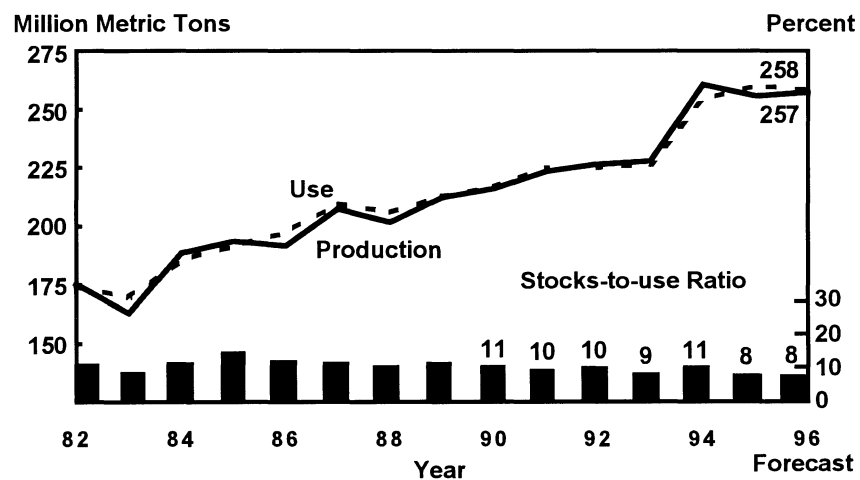


World Total Seed Ending Stocks



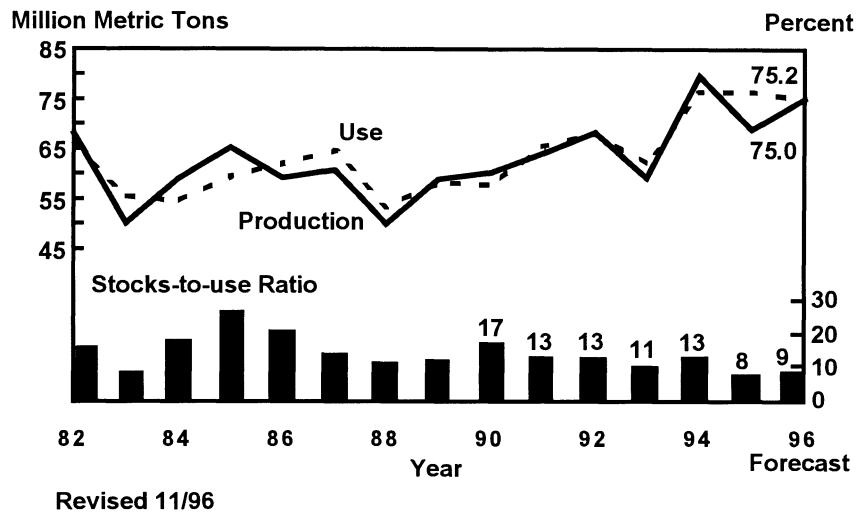
Revised 10/96

World Oilseeds

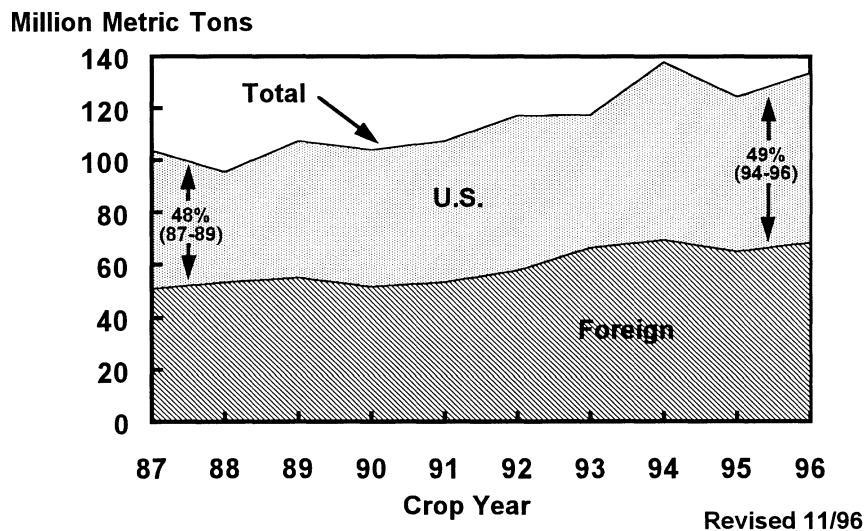


Revised 11/96

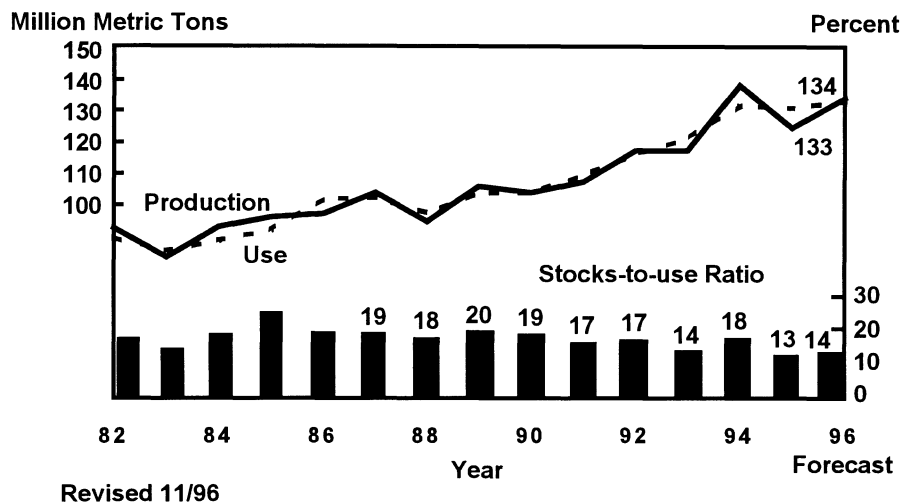
U.S. Oilseeds



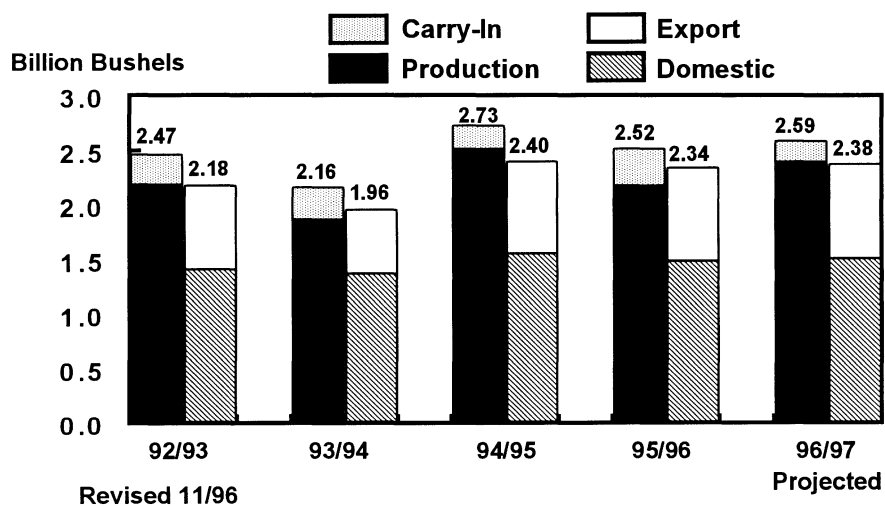
World Soybean Production



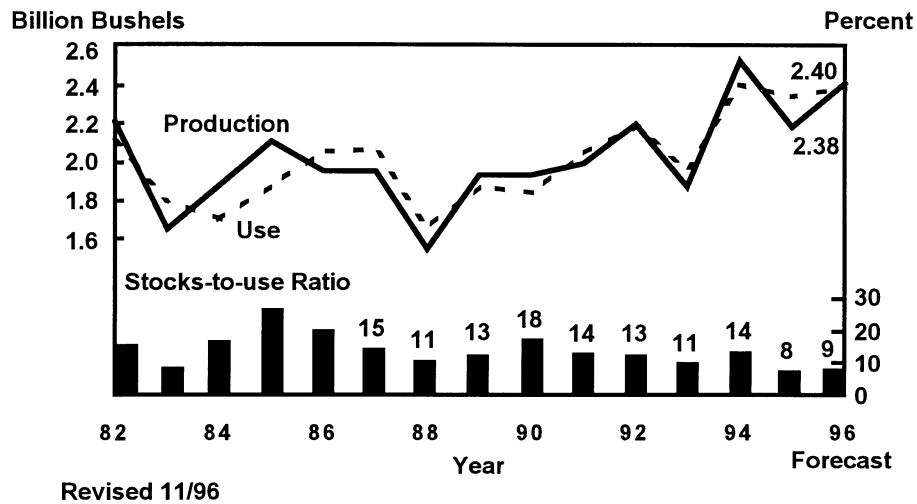
World Soybeans



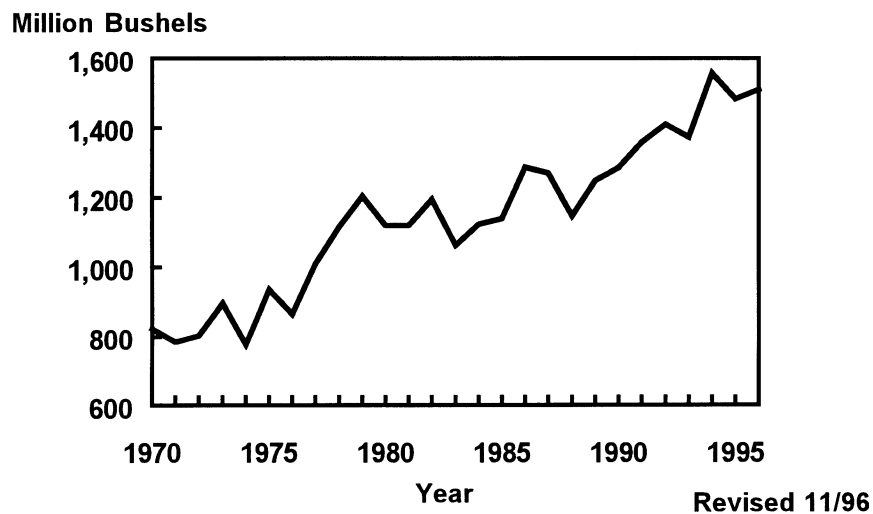
Soybeans: Supply and Use



U.S. Soybeans

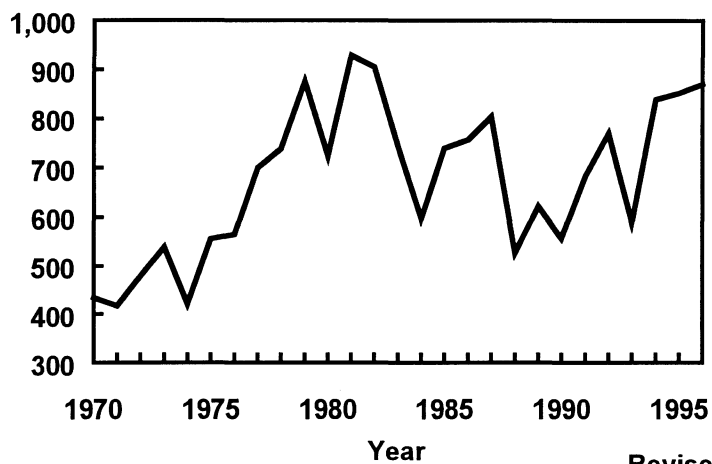


U.S. Soybeans, Domestic Use



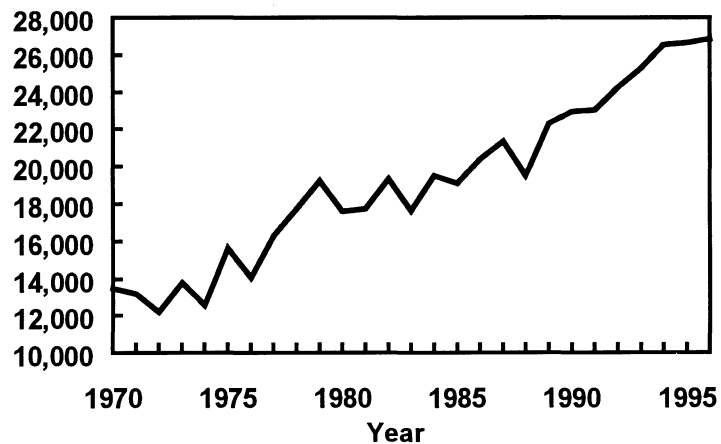
U.S. Soybeans, Exports

Million Bushels

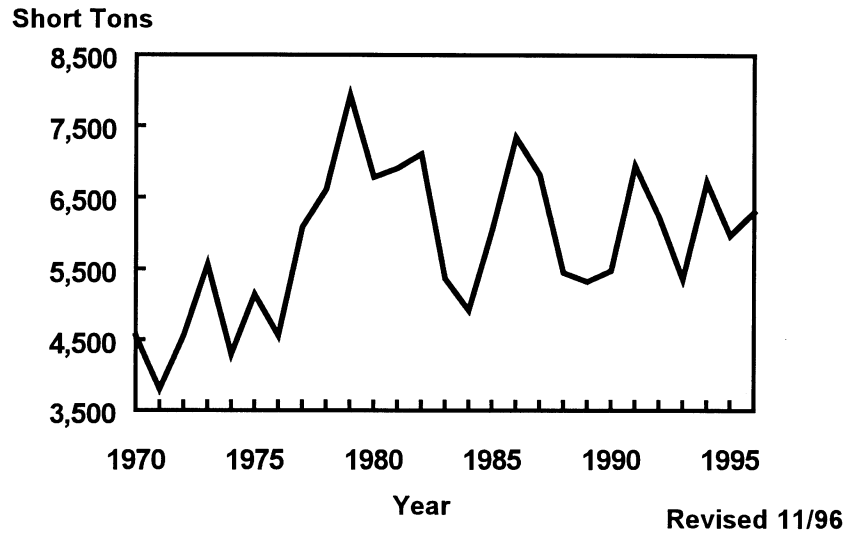


U.S. Soymeal, Domestic Use

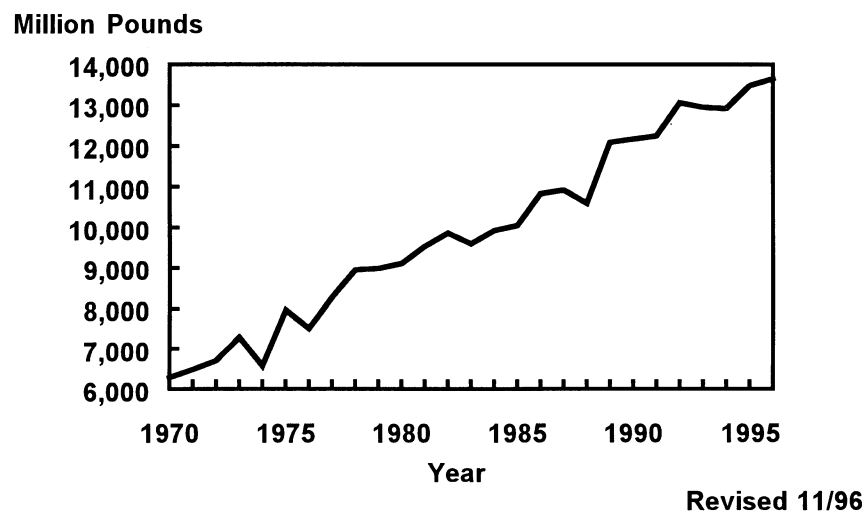
Short Tons



U.S. Soymeal, Exports

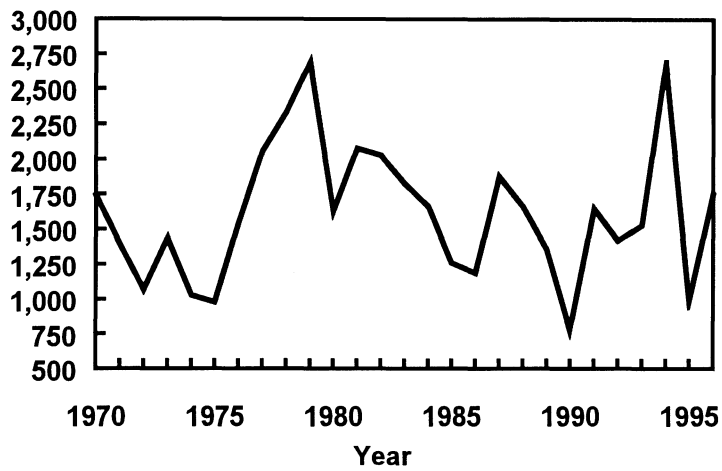


U.S. Soyoil, Domestic Use



U.S. Soyoil, Exports

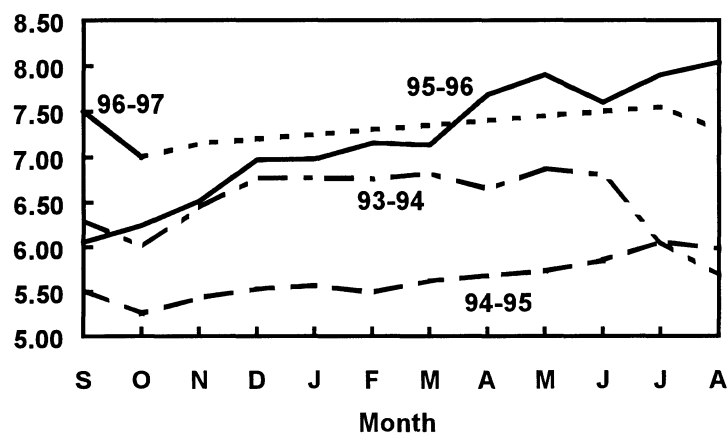
Million Pounds



Revised 11/96

Soybeans: Ohio Average Farm Prices

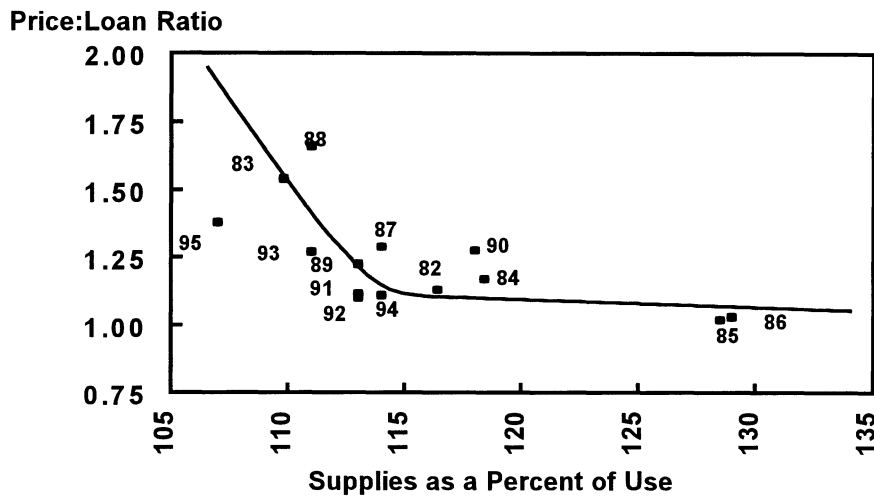
\$/Bu.



96-97 Nov.-Aug. Projected

Revised 10/96

Soybeans: Stocks-Price Relationship



Revised 10/96

1996-97 Soybean Price Prospects (Decatur, IL)

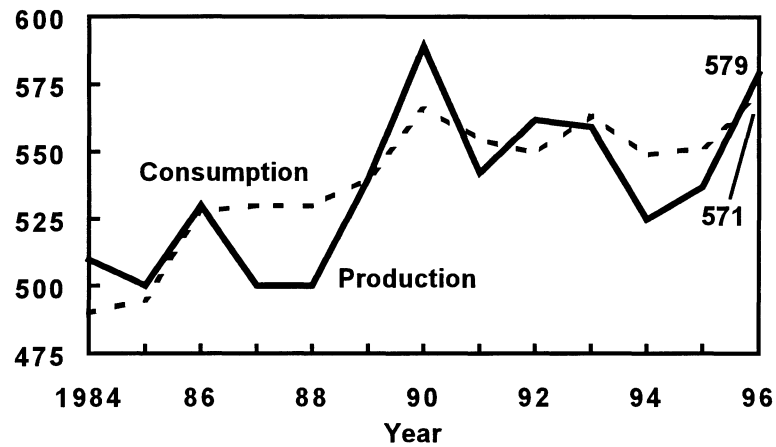
	Price	Lbs. Per Bu.	Value
Meal (Ton)	\$210-225	47.4#	\$4.98 to 5.33
Oil (Lb.)	\$.22 - .23	11.2#	\$2.46 to 2.58
Total			\$7.44 to 7.91

Minus Crushing Margins

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World Wheat

Million Metric Tons

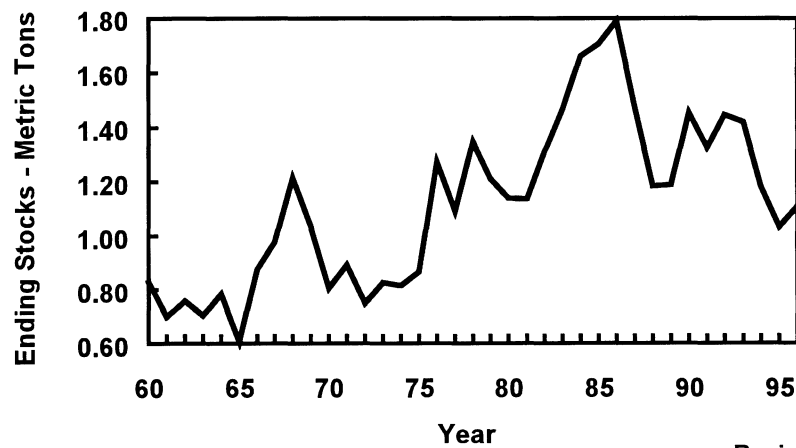


1996 forecast

Revised 11/96

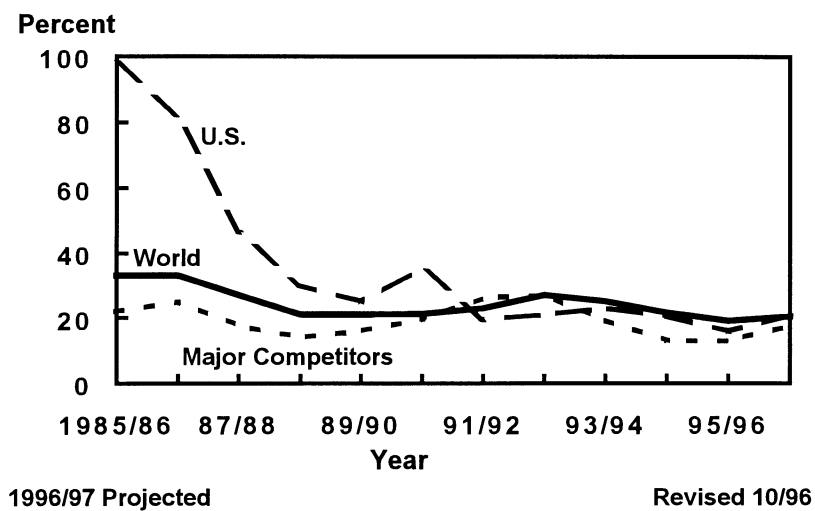
World Wheat Ending Stocks

100 Millions

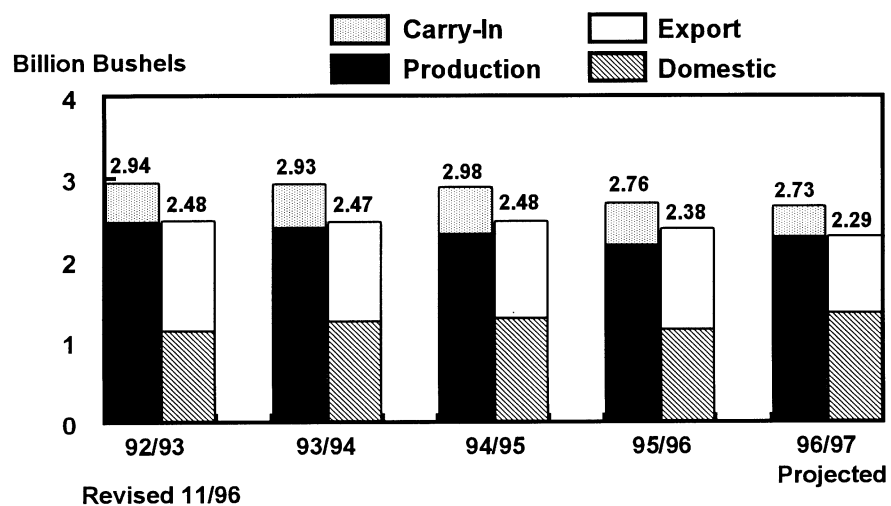


Revised 11/96

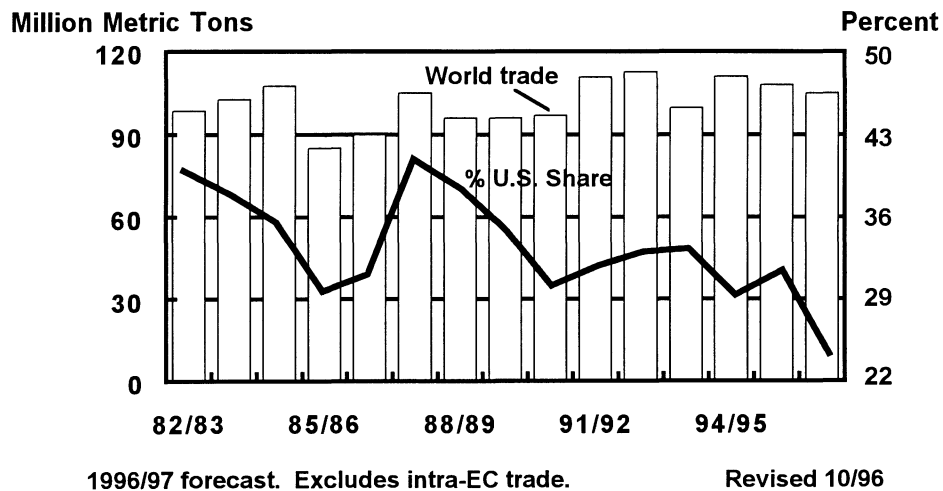
Wheat Stocks-to-Use Ratios



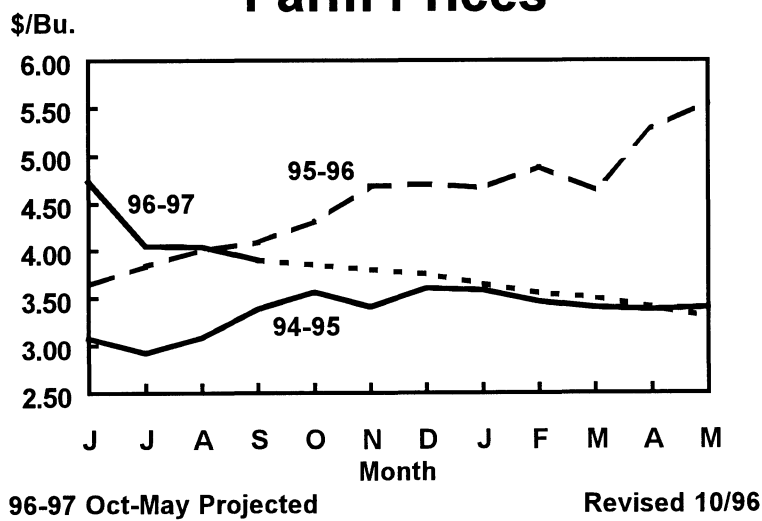
Wheat: Supply and Use



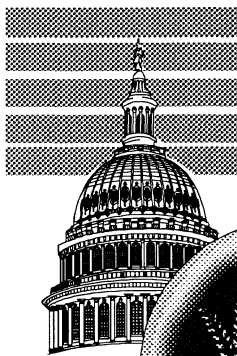
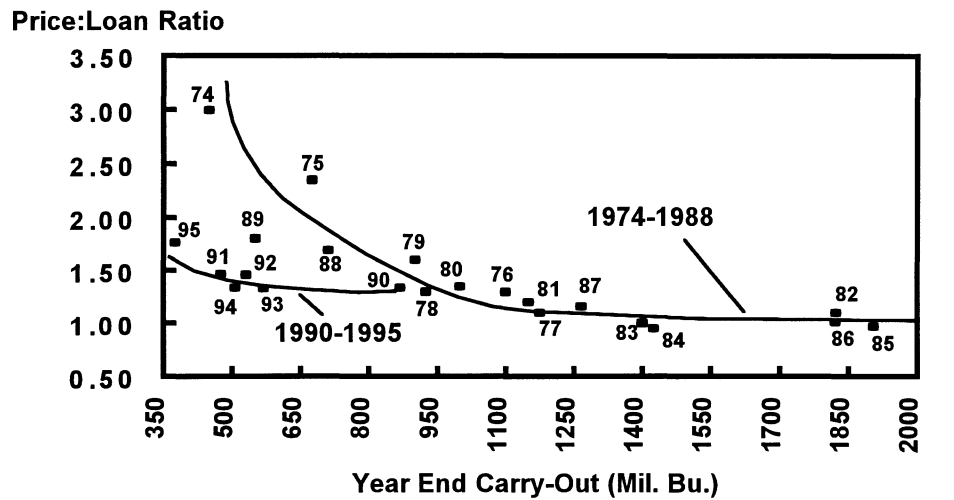
Wheat Trade



Wheat: Ohio Average Farm Prices



Wheat: Stocks-Price Relationship

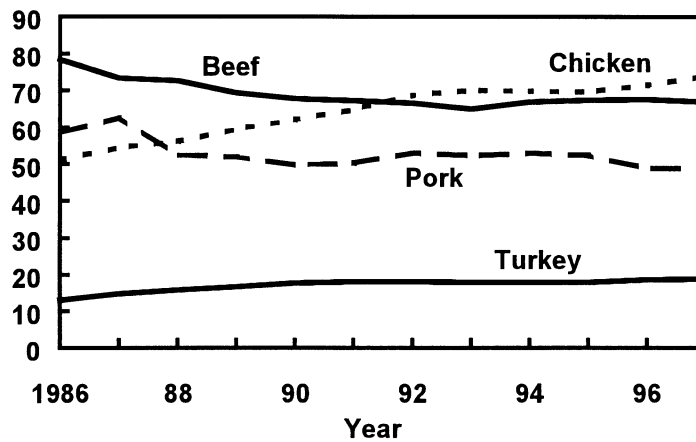


1997 Agricultural Policy and Outlook

Livestock

Meat Consumption in the U.S. Retail Weight

Lbs. per Person

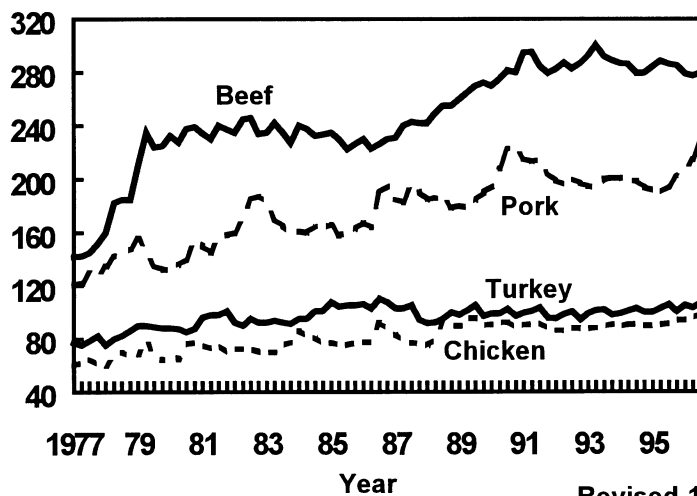


1996/1997 Estimated /Projected

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Retail Meat Prices Quarterly Average

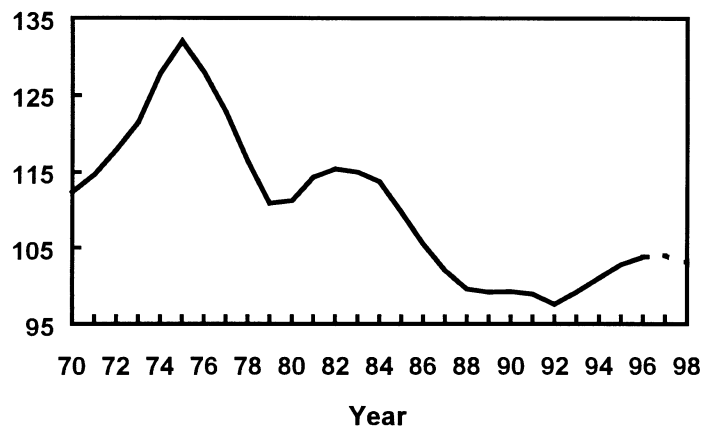
Cents/Lb.



Revised 10/96

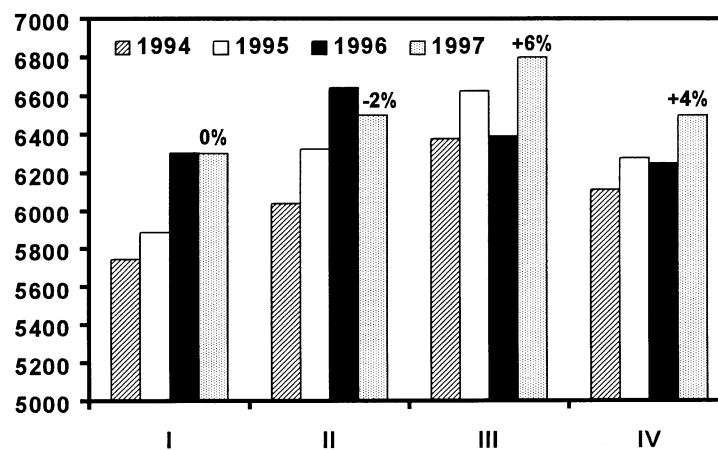
U.S. Inventory of All Cattle and Calves, January 1

Million Head



Commercial Beef Production U.S. Quarterly

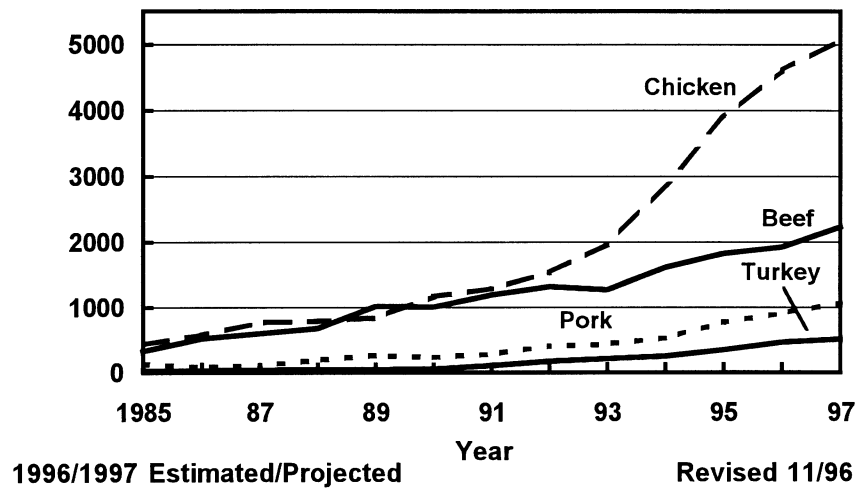
Million Pounds



Revised 11/96

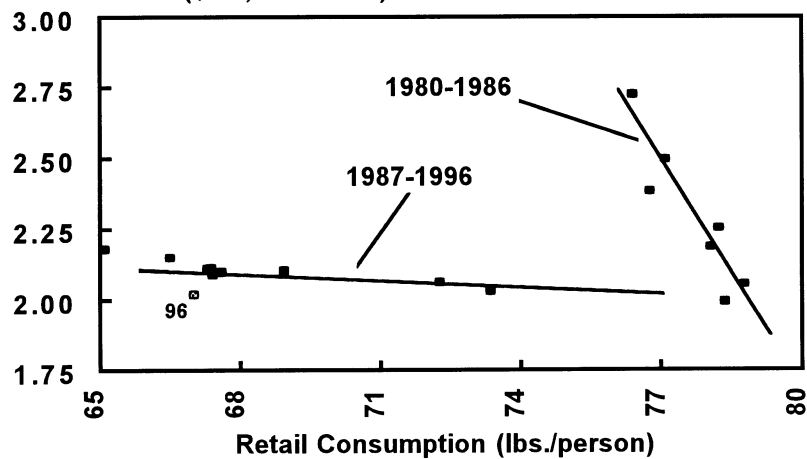
U.S. Meat Exports

Million Pounds

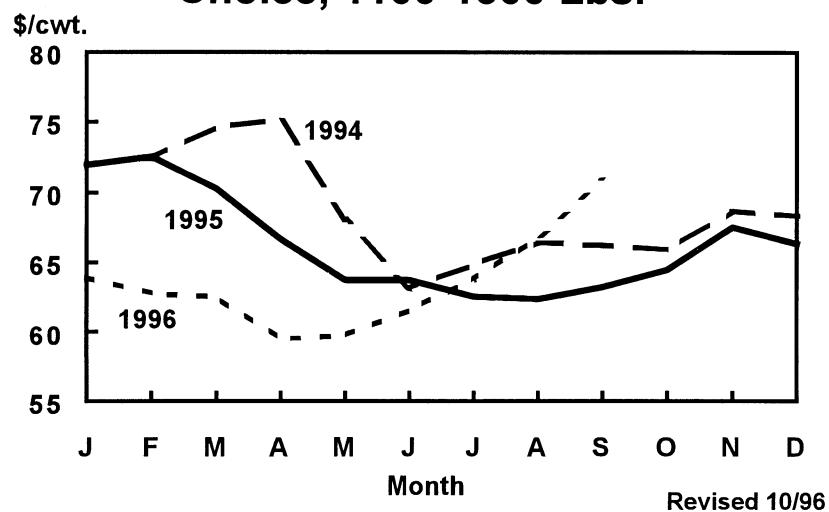


Demand for Beef in the U.S.

Real Retail Price (\$/lb., 1982=100)



Fed Cattle Price, Nebraska Choice, 1100-1300 Lbs.

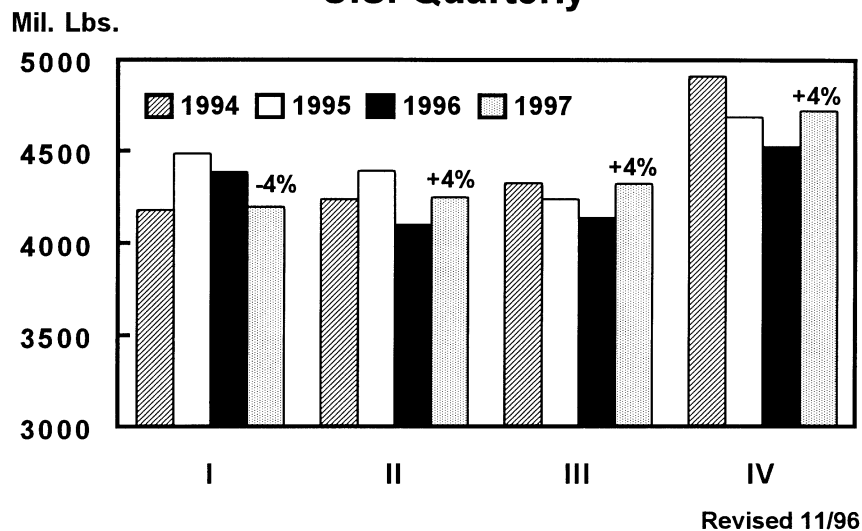


Forecasts

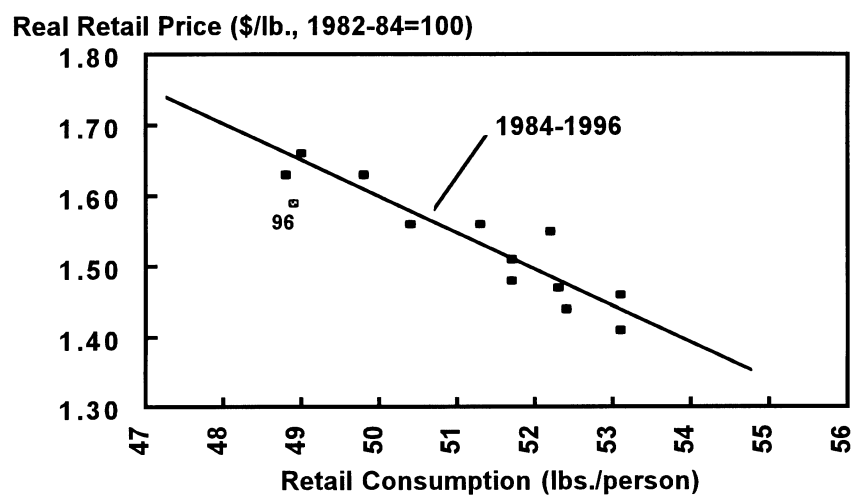
	Beef Production	Fed Cattle Price/cwt
1996		
IV	+1	\$67-69
Year	+2	\$64-65
1997	0	
I	- 2	\$64-66
II	+6	\$63-67
III	+4	\$62-66
IV	+2	\$62-66
Year		\$63-66

Revised 11/96

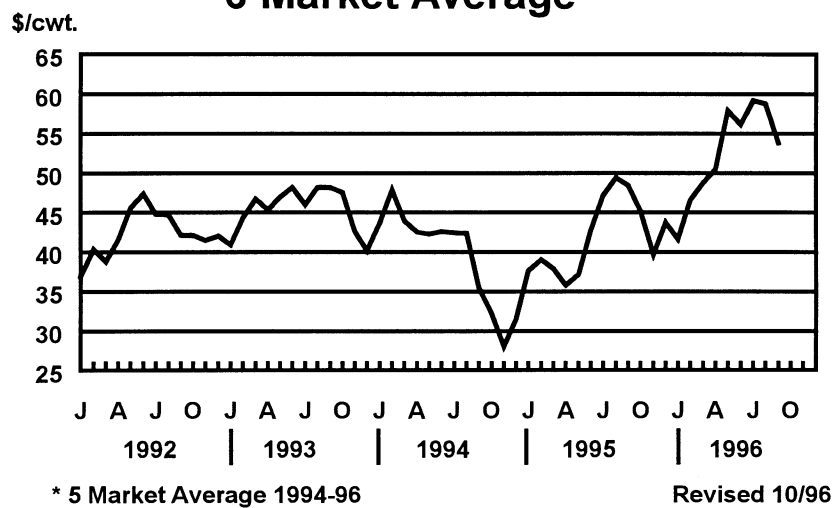
Commercial Pork Production U.S. Quarterly



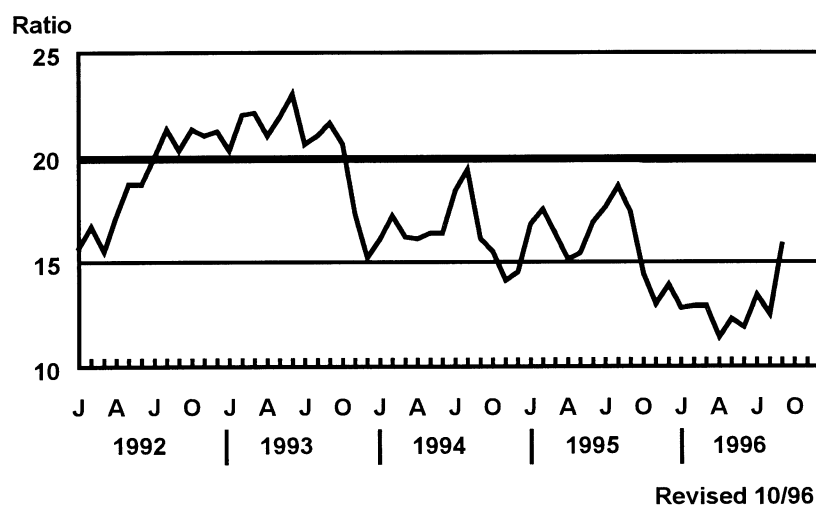
Demand for Pork in the U.S.



Barrow and Gilt Price 6 Market Average*



Hog-Corn Price Ratio, Omaha

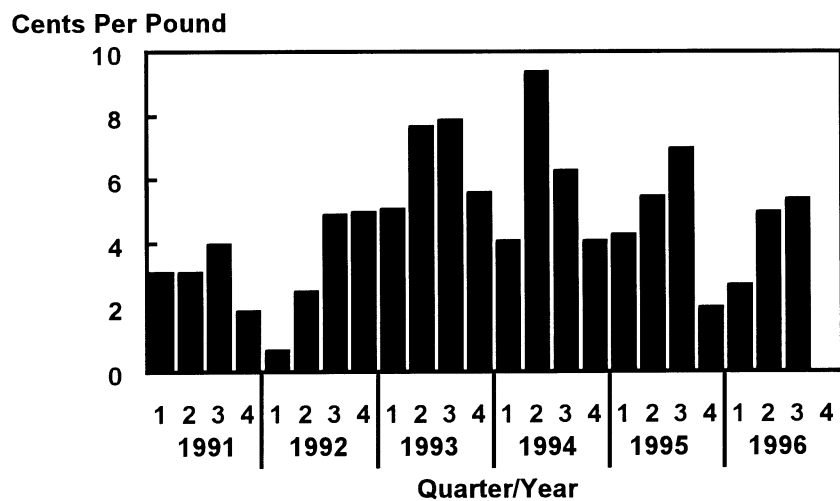


Forecasts

	Pork Production	Barrow & Gilt Price/cwt
1996		
IV	-6	\$53-55
Year	-4	\$53-54
1997		
I	- 4	\$51-53
II	+4	\$51-53
III	+4	\$50-52
IV	+4	\$46-48
Year	+2	\$50-52

Revised 10/96

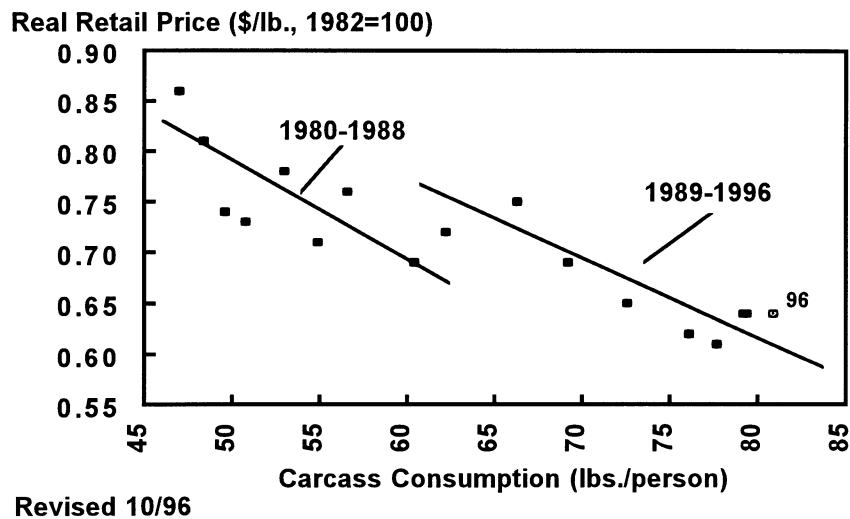
Broiler Production Return



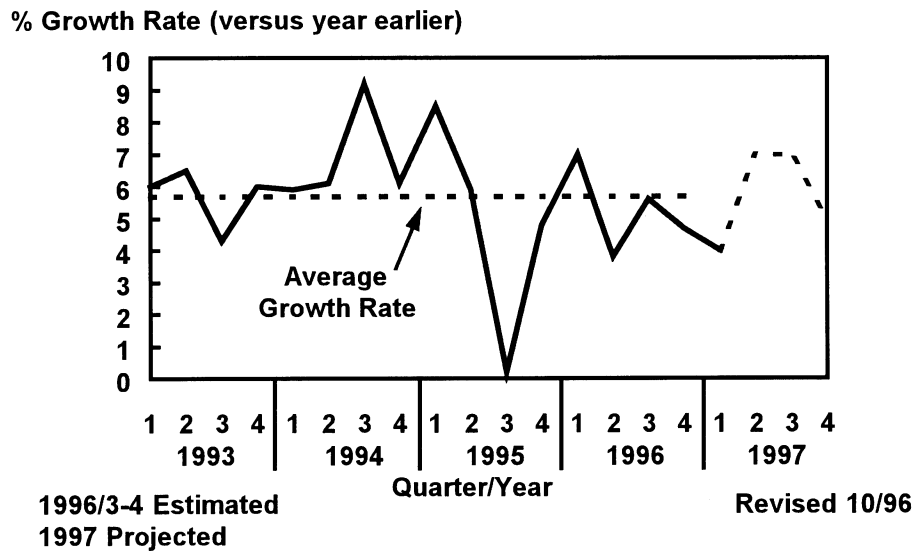
1996/3-4 Estimated

Revised 10/96

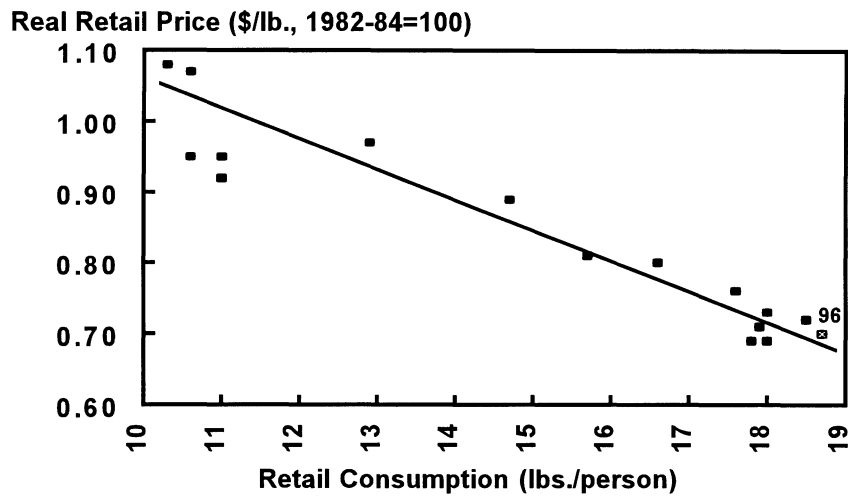
Demand for Broilers in the U.S.



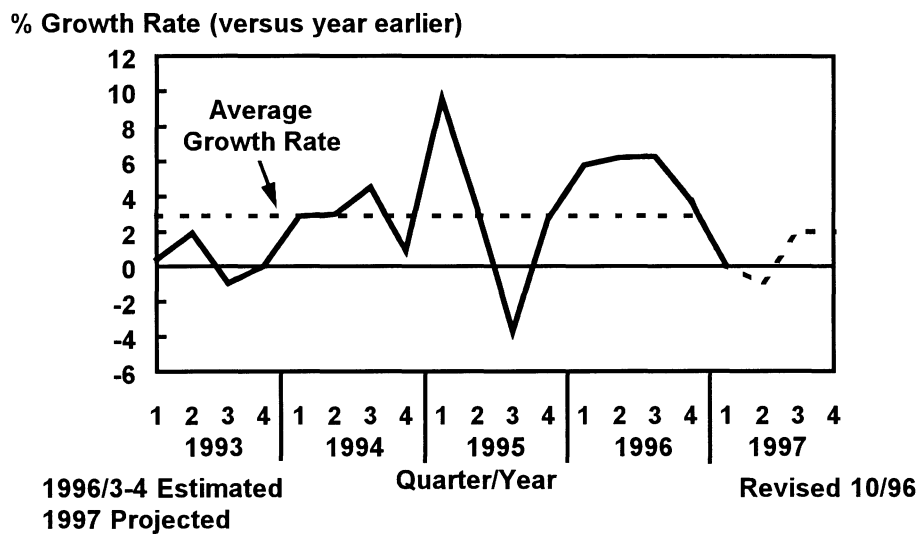
Growth of Broiler Production in the U.S.



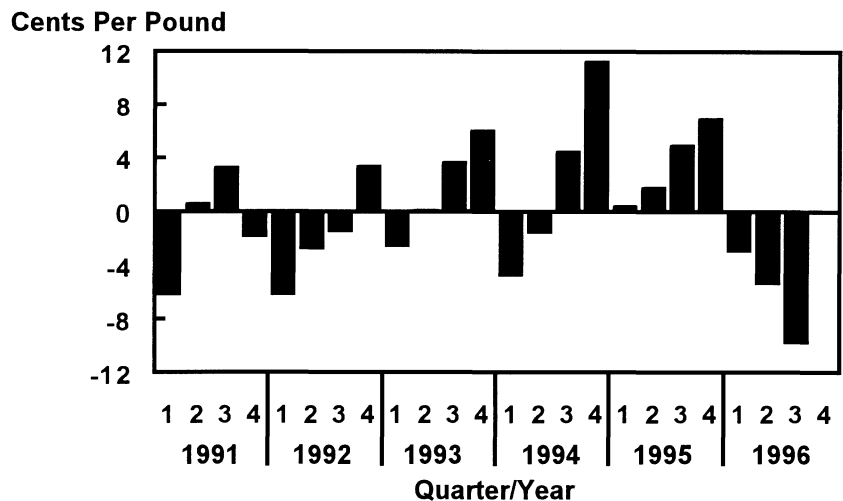
Demand for Turkey in the U.S.



Growth of Turkey Production in the U.S.



Turkey Production Return



1996/3-4 Estimated

Revised 10/96

U.S. Supply Factors

Year	Number of Cows	Production Per Cow
	(Thousands)	(Lbs.)
1990	10,127	14,645
1991	9,992	14,860
1992	9,688	15,574
1993	9,589	15,704
1994	9,500	16,175
1995	9,461	16,451
1996 p	9,379	16,696
1997 f	9,260	16,782

p = preliminary f = forecast

Revised 10/96

U.S. Production and Demand

Year	Milk Production	Commercial Demand	CCC Purchases
----- (Billion Lbs.)-----			
1990	147.7	138.3	9.0
1991	147.7	138.6	10.4
1992	150.9	141.3	9.9
1993	150.6	145.0	6.7
1994	153.7	150.3	4.8
1995	155.6	155.0	2.1
1996 p	154.0	155.0	0.2
1997 f	155.4	156.0	0.3

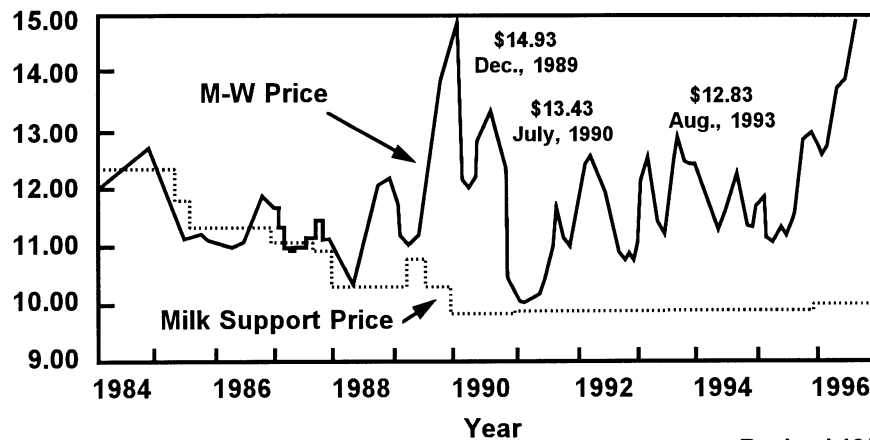
p = preliminary f = forecast

CCC purchases stated on milkfat basis

Revised 10/96

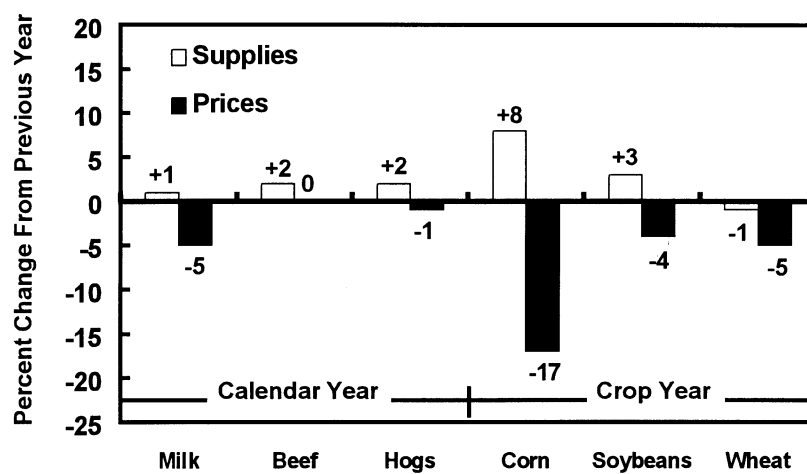
Dairy Support Price and Minnesota-Wisconsin Price, 3.5% BF, 1984-1996

Dollars Per CWT



Revised 10/96

1996-97 Supplies and Prices



Revised 11/96